



Maryland Farm Bureau, Inc.

3358 Davidsonville Road • Davidsonville, MD 21035 • (410) 922-3426

March 9, 2023

To: Senate Finance Committee

From: Maryland Farm Bureau, Inc.

Re: **Opposition of SB 516 - Cannabis Reform**

On behalf of our member families, I submit this written testimony opposing the Hemp related sections of SB 516. This omnibus cannabis reform bill does several things. It renames the Alcohol and Tobacco Commission to be the Alcohol, Tobacco, and Cannabis Commission. It establishes a regulatory and licensing system for adult-use cannabis and imposes the sales and use tax on the sale of adult-use cannabis. The bill establishes the Cannabis Regulation and Enforcement Division in the Commission and requires the Division, on or before July 1, 2023, to convert medical cannabis licenses to licenses to operate a medical and adult-use cannabis business. Lastly and most importantly as it relates to agriculture, the bill amends the hemp industry language to further restrict the CBD side of the hemp industry to a point where one would need to have a cannabis license to participate in the CBD side of the Hemp industry. Thus, killing the federally legal hemp industry to allow the federally illegal cannabis industry to monopolize the entire market.

When the 2018 federal Farm Bill was passed, it decoupled Hemp from cannabis and allowed the states to create permits to allow hemp farming in the US. Shortly after that bill passed and was signed into law by the President, USDA rolled out an interim regulations for states to use to regulate the new industry. These are the regulations Maryland Department of Ag adopted and uses today. After a year of review, USDA made some changes and rolled out their final regulations for Hemp. Unfortunately, one of the changes made by USDA was the change from 0.3% delta-9- THC concentration in the plant to 0.3% total THC in the plant. This change took the vast majority of Hemp growers and made their crops illegal because they tested over the 0.3% total THC. Even though the delta-9 was below 0.3%. This resulted in over 40% of all the hemp grown in 2022 to have to be destroyed.

This bill doesn't address these issues and actually makes it worse, by moving these "hot crops" to a cannabis license and allows the cannabis industry to monopolize the entire market from healthy alternatives (CBD products) to recreational marijuana. We hope this is not the intent of the legislature and request the legislature address this with one of these two options. (1) remove the hemp language from this bill and address the hemp issues in SB 508 - Hemp Farming Program - Use of Hemp and Hemp Products in Consumable Products; or (2) revise the hemp language in this bill to address the hemp industry issues with the following amendments:

Amendment #1:

On Page 18, line 20, add to the end of the sentence: **UNLESS REMEDIATED TO 0.3% DELTA-9-TETRAHYDROCANNABINOL CONCENTRATION OR LESS**

Rationale: This would allow a hemp farmer that has a "hot" crop, due to weather conditions or harvest timing, to remediate that harvest down to the legal 0.3% Delta-9 THC without having to destroy the crop or made to get a cannabis license.

Amendment #2:

On Page 69, Lines 24 & 25: Delete **0.5** and replace with **3** and delete **2.5** and replace with **90**

Rationale: This would allow this section to be consistent with the Cannabis definition found on Page 19, lines 16-20. Based on the concentrations on page 69 lines 24 & 25, if not changed, would reduce the Hemp derived Delta-9 THC level from 0.3% as defined on page 18 of the bill down to 0.01% Delta-9 THC. This is 30 times lower than what is allowed on Page 18.

MARYLAND FARM BUREAU RESPECTFULLY OPPOSES SB 516 UNLESS THE HEMP LANGUAGE IS PROPERLY ADDRESSED.

A handwritten signature in black ink, appearing to read "Colby Ferguson", with a long horizontal flourish extending to the right.

Colby Ferguson
Director of Government Relations

For more information contact Colby Ferguson at (240) 578-0396